

## STATE OF SOUTH CAROLINA

(Caption of Case)

Carolinas Carbon Offset Program Tarriff

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

## COVER SHEET

**COPY**  
 Log ted  
 Poster  
 Dept: S.A.  
 Date: 5/23/08  
 Time: 10:10

DOCKET

NUMBER 2008-007-Z

(Please type or print)

Submitted by: Catherine E. HeigelSC Bar Number: 9268Address: Duke Energy CorporationTelephone: 704.382.8123PO Box 1006/ EC03TFax: 704.382.5690Charlotte, NC 28201-1006

Other:

Email: ceheigel@duke-energy.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

## DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigator
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input checked="" type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	



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May 15, 2008

Mr. Charles Terreni  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

**Re: Carolinas Carbon Offset Program (SC) Tariff**

Dear Mr. Terreni:

Duke Energy Carolinas encloses for the Commission's information a copy of the Carolinas Carbon Offset Program (SC) tariff (the "Program") it will make available to its South Carolina customers effective July 1, 2008. This Program will be available on a voluntary basis to any customer who desires to pay an additional \$4.00 per month for 500 pounds of carbon offsets. The Program is provided through the NC GreenPower Program, which is North Carolina's non-profit green power program administered by the North Carolina Advanced Energy Corporation ("NCAEC").

Customers may opt to purchase one or more units per month via their Duke Energy Carolinas' electric service bill. Funds collected under the Program will be transferred by Duke Energy Carolinas directly to NCAEC for use in purchasing carbon offset credits, which will be retired. Under the Program, NC GreenPower will select a third party organization (such as Sterling Plant, Environmental Resource Trust, or 3 Degrees) to certify carbon offsets following the quality criteria promoted by the Environmental Defense Fund. Once certified, carbon offset providers will be compensated by NC GreenPower using funds collected under the Program. Except for the certification requirement for carbon offset providers, this process is very similar to the payment of subsidies to renewable energy generators under the Company's Palmetto Clean Energy tariff.

We all contribute to carbon dioxide emissions, whether it is by driving a car, heating and cooling our homes, watching TV, or other activities. Carbon offsets are a simple way for individuals and businesses to counterbalance the carbon emissions from their energy-using activities or their "carbon footprint" by supporting projects that reduce carbon dioxide. Duke Energy Carolinas' goal in offering this new option is to make it

easy and affordable for every person or business to reduce their carbon footprint to zero – and have a positive impact on climate change now.

Please do not hesitate to contact me if you have any questions.

Sincerely

A handwritten signature in cursive script that reads "Catherine E. Heigel". The signature is fluid and elegant, with the first letters of the first and last names being capitalized and prominent.

Catherine E. Heigel

Enclosure

cc: J. Flitter, ORS  
L. Hammonds, ORS

## CAROLINAS CARBON OFFSET PROGRAM (SC)

### AVAILABILITY (South Carolina only)

Available on a limited and voluntary basis to retail customers receiving concurrent service from the Company who contract for a block(s) of Carbon Offsets provided through the NC GreenPower Program administered by the North Carolina Advanced Energy Corporation (NCAEC).

The maximum number of customers served under this program shall be determined by the maximum number of blocks of Carbon Offsets available for purchase through the NC GreenPower Program.

### GENERAL PROVISIONS

Each customer may contract with the Company to allow for the purchase Carbon Offsets to be billed to the customer monthly on the basis of a block Carbon Offsets. The customer may change the number of blocks contracted for once during the contract year unless otherwise authorized by the Company.

Carbon Offsets will be purchased or otherwise acquired to meet the expected blocks contracted for during each calendar year with an appropriate true-up of the delivery of the blocks to the purchase of blocks of Carbon Offsets.

Customers participating in this program will continue to receive and pay for energy used under the applicable rate schedule. The contracted block(s) provided under this Program shall be charged at the Rate shown below irrespective of the Customer's actual monthly kilowatt-hour usage. Charges under the Rate as set forth below will be used for purchasing, and / or acquiring appropriate Carbon Offsets. Funds collected through this Program will be provided to the NCAEC and distributed as outlined in the NC GreenPower Program Plan filed with the North Carolina Utilities Commission and as established and maintained by the NCAEC.

### DEFINITIONS

**Carbon Offsets:** For the purposes of this program, Carbon Offsets shall be those purchased by NC GreenPower Program from reliable sources and such projects could include for example reforestation and methane collection and destruction in South Carolina (SC), North Carolina (NC), and Virginia (VA). Priority will be given to the participating utility service territories in SC, NC, and VA for acquiring resources; however, if no acceptable projects are available, other regions will be considered.

**Month:** The term "month" as used in this Program shall be customer's normal bill month for the period between monthly meter readings.

### RATE

\$ 4.00 per month per block which represents 500 pounds of carbon.

### PAYMENT

Bills under this Program are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to terminate the customer's contract for this service.

### CONTRACT PERIOD

Each customer shall enter into a contract to purchase a specified number of blocks Carbon Offsets, on a month to month basis, upon the condition that either party can terminate the contract by giving at least thirty (30) days previous notice of such termination in writing.